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SUBJECT: KUWAIT CHAMBER OF COMMERCE ON PARLIAMENTARY  
INFIGHTING AND ECONOMIC/POLITICAL REFORM IN KUWAIT

11. (SBU) Summary. In an October 19 meeting with Econ Counselor, the Deputy Director General of the Kuwait Chamber of Commerce and Industry (KCCI) lamented the political infighting among parliamentarians resulting in the election of a new and less pro-business chairman of the National Assembly's Finance and Economy committee. Al-Rabah was enthusiastic about the new law granting women full political rights and noted that Kuwaiti society was in a historic transition despite political quarreling among politicians that continued to hamper economic reform. End Summary

12. (SBU) On October 19, Econcouns, accompanied by Econoff, met with Rabah Al-Rabah, Deputy Director General of the KCCI a non-government entity with close ties to the GOK, to discuss political developments in the National Assembly (NA) impacting economic developments, in particular the leadership shuffle in the NA's influential Finance and Economy Committee. Al-Rabah expressed his personal disappointment with the unexpected defeat of Abdulwahab Al-Haroun as chairman of the Committee, noting that Al-Haroun's defeat was "a political game being played out" at the expense of economic reform and private sector development. While Al-Rabah was complimentary of the newly-elected chairman, Dr. Yusuf Al-Zalzala, he was skeptical about the degree of Al-Zalzala's support for the private sector. (Note: Abdulwahab Al-Haroun served for nine years and was a strong proponent of developing Kuwait's northern oilfields and greater private sector participation in the economy.) As an aside, Al-Rabah noted that the establishment of the NA's "Halliburton Committee" was prompted by similar internal political disputes resulting from allegations of impropriety in fuel contracts against Minister of Energy Shaykh Ahmad Fahd Al-Ahmad Al-Sabah.

13. (SBU) Al-Rabah commented that economic reform in Kuwait is hampered by political disputes being played out in the parliament. However, he expressed optimism about long-term economic and political reform with the entry of women into the country's political elections in 2007. Al-Rabah added that the participation and election of women in the upcoming elections would be "a very positive development" for the country and one that could help reshape parliamentary representation in conjunction with proposed districting reforms. He noted that Kuwait was entering "a very encouraging era" that would result in significant social and political changes over the next 20 years.

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